

Health Benefits Exchange Board
Extended Board Meeting
Thursday, February 16, 2012
Meeting Minutes

Attendees: Meg Curran (Chair), Don Nokes (Vice Chair), Mike Gerhardt, Marta Martinez, Linda Katz, Pam McKnight, Chris Koller (Health Insurance Commissioner), Richard Licht (Director of Administration)

Absent: Steven Costantino (Secretary of Health and Human Services), Michael Fine (Director of Health), Dwight McMillan, Tim Melia

- I. Call to Order – Chairwoman Curran called the meeting to order at 1:00pm. She welcomed the members and turned to the first presenter.
- II. Exchange 102 – Presentation and Simulation of an Exchange (Angela Sherwin, Office of the Health Insurance Commissioner Presenting)
 - a. Presentation available here
 - b. Comments & Questions:
 - i. Director Licht: The 19,000 do you know how many are in small groups, and how many are in large groups (self-insured)?
 1. Angela Sherwin: We know they are all employer based but do not know the break down further
 - ii. Director Licht: Why would your employer then encourage you to get on the exchange, would the employer get credit?
 1. Angela Sherwin: If your co-share of premium is more than a certain percent of their income, then you receive the subsidy. It may not be the employer suggesting they move to the exchange, but it may be financially sound to get coverage from the exchange.
 - iii. Commissioner Koller: The economic transition in RI, greater use in RI, in spite of what we hear about, they would be in the 19%. The anecdote suggests they should be higher.
 1. Angela Sherwin: Right, and so that 19% is only the subsidy eligible. Presumably there are folks on both ends. Also the definition of affordable here is as stated in federal law: if the employee or any individual is paying more than 9.5% of income for health insurance, you can do the math to see if it is worth it.
 - iv. Pam McKnight: Are you anticipating that employers are people not coming through the exchange, not getting a subsidy?
 1. Angela Sherwin: In 2014 the small employer community can be eligible to go through the exchange. The employees are coming if their employer chooses the exchange or if they want to understand what their different options are. But we do not have a way of

knowing how many employers are going through the exchange.

- v. Mike Gerhardt: The people who are going to remain uninsured are going to be subject to federal penalties in 2014?
 - a. Angela Sherwin: Yes, so long as they have access to affordable coverage.
 - b. Mike Gerhardt: Which through the exchange they will -- about 99% of people. Why is the uninsured number still high?
 - c. Angela Sherwin: Undocumented individuals and the "young healthies."

III. Exchange 102 – The Potential User Experience (Dan Meuse and Matt Harvey)

- a. Dan Meuse: The model we are sharing with you today is enroll UX2014, what would be assumed to be the best practice model of the user experience (hence UX), a top technology firm in SF, Idio, developed this model. First, the group interviewed people, and discussed if they were going to use an exchange to define health coverage, how could they design an experience to account for those scenarios. The goal is to create a design that works for each of these people.
- b. Dan Meuse: Over the course of the next hour, we will run through the model. You have two sheets of paper in front of you – one yellow, one blue, on which to write questions, concerns etc. There will then be a facilitated conversation.
- c. Matt Harvey: Two terms - prototype; the key thing to remember when looking at this, it is not real. This is smoke and mirrors. One of the best design firms, best take at what could work, but it isn't up and running yet. The other thing; you will see are wireframes – this is not what it is going to look like. Some mockup web pages, with various images, look past what it looks like to how do they move from step to step. Attention better spent thinking about the overall mechanics of what to get to. Like house shopping – if you don't like the current owner's couch, that is one thing, but we hope you don't focus on that. Focus on if you like the structure, or if you need to knock down a wall between the kitchen and the dining room.
 - i. Commissioner Koller: How does this handle the shopper, someone who doesn't know if should apply for something? There will be a section for anonymous insurance shopping. Still developing.
 - ii. Mike Gerhardt: Option on races
 - 1. Matt Harvey: Yes, per federal requirement, but there is an opt out.
 - 2. Mike Gerhardt: Well that is quite controversial isn't it?
 - iii. Dan Meuse: Going to be a need to discuss what the income is, formula for past year, this year etc.

- iv. Director Licht: I apply for the credit, and I was eligible, and in October I won the lottery, am I now subject to a penalty?
 - 1. Matt Harvey: Pay back any portion of the premium tax credit that you used from the date of ineligibility.
- v. Director Licht: They don't know why they are making an allocation, have to explain it all.
- vi. Mike Gerhardt: When selecting a doctor to continue to see – it doesn't need to be a primary care doc? DM: It can be a specialist, it can be a primary doc, etc.
 - 1. Dan Meuse: A point though, is you will need someone in RI to keep populating the list of docs/specialists/providers and ensuring that is up to date.
- vii. Commissioner Koller: There is a gap here between the theoretical idea and what is actually happening.
- viii. Director Licht: I feel language is very important and the language that we use is not necessarily the conversational language.
 - 1. Mike Gerhardt: Think they will need to do a focus group, an ultimate focus group.
 - 2. Dan Meuse: There was a big discussion in SF to see if a parent going through the exchange, and a child going through the exchange, if they should have to go through the entire exchange. That is one of the things we asked for, more of a separated look at these same ideas.
- ix. Director Licht: Though the individual in this model is not buying for himself and is buying for a spouse, there was no question asked as to what the current individual has for coverage to demonstrate the options as putting them on the same carrier, family coverage.
- x. Linda Katz: When buying for two separate family members, are the totals shown together?
 - 1. Matt Harvey: No they are shown separately, and then totaled at the end.
 - 2. Dan Meuse: Perhaps we suggest they have a running total across the top. This is the model we have been given. Other models need to be built – models for employers, for encouraging their employees to go through. There is an employee section that will need to be built. There is going to be an interface for people who help other people get coverage – Navigators, Brokers, Call center, state employees, etc.
- xi. Commissioner Koller: The assistor is labeled blind. On the off chance that someone may need some help with their choices?
 - 1. Dan Meuse: yes there will be assistors available.

- xii. Mike Gerhardt: In general I feel people are going to find this very intimidating. One of the things that bugs me about surveys is that people don't go through and say "do I absolutely have to ask this."
 - 1. Dan Meuse: That is what we will work to do.
- xiii. Director Licht: Understand, and hope we're working on a unified vision.
- xiv. Pam McKnight: When all these plans come out that are suggested to a particular person, they can click on it and see exactly what is covered and what is provided?
 - 1. Dan Meuse: Yes, and more than that, they envision there to be a cost comparison exchange.
- xv. Marta Martinez: And all in the language selected at the start of the enrollment?
 - 1. Dan Meuse: Yes. The principle is there is a lot of consumer assistance out there right now, how can we understand what we have, what we will need in future and work to fill out the gap. A lot of community workers who help those out the street, they will need to be trained.
- xvi. Linda Katz: Level of expertise will be needed for those who are guiding people on this – Navigator program will have to be thorough in its training.
- d. Board members now asked to write down their concerns on post-its place in buckets of policy issues; design look; feel, eligibility, enrollment and plan selection.

IV. BREAK – Members adjourned for a 15 minute break.

V. Draft Vision, Mission, Principles, Goals and Objectives – presentation and discussion lead by facilitator Ian Gilmore.

- a. Draft Vision –
 - i. Mike Gerhardt – how are we, this Board, going to effect things at a national level? Nice to think, but is it realistic?
 - ii. Chris Koller – supporting? Also, "quality" needs an adjective – high?
 - iii. There was agreement and the Board moved on.
- b. Draft Mission –
 - i. Director Licht – eligible implies access and enrollment, if you can enroll in coverage, you don't have to be eligible for anything – need to arrange this differently.
 - ii. Commissioner Koller – there are categories of Rhode Islanders who cannot enroll if, for example, they're able to get state-based insurance.
 - iii. Mike Gerhardt – It is an "and/or;" some can enroll, some can also get subsidies.

- iv. Chair Curran - “if eligible” is for Commissioner Koller, but feel we also need to get rid of access subsidies to reflect that some aren’t eligible for subsidies.
- v. Commissioner Koller – underscores that we’re opting for strategic phrasing with “all Rhode Islanders” to not exclude anyone and to reflect that it’s for all who work and live in Rhode Island. This includes employers.
- vi. Director Licht – most people think of “Rhode Islanders” as people, not corporations/businesses.
- vii. Chair Curran – can small businesses use the website under that definition?
 - 1. Ian Gilmour – should there be a reference to small businesses?
- viii. Pam McKnight – shouldn’t there be a reference to reducing the number of uninsured?
 - 1. Ian Gilmour – that is in the vision
- ix. Pam McKnight– what about reducing costs?
 - 1. Ian Gilmour– is this covered in the vision? Let’s back up. It’s a statement of the why and the mission is a statement of what to do. Does this work?
- x. Pam McKnight – okay.
- xi. Director Licht – we put “all” in vision and not in mission.
 - 1. Ian Gilmour– okay, we’ll keep track of these things. Anything else? Hearing no other comments, we proceed forward.

c. Draft Principles –

- i. Ian Gilmour – These principles are intended to guide governance decision-making.
- ii. Mike Gerhardt – the simplicity is within the parameters of federal law and other limitations – we don’t want to say we’re being simple when we know it won’t be.
 - 1. Ian Gilmour– we’re talking about a relatively complex policy.
 - 2. Commissioner Koller – a lot of values and principles are.
- iii. Linda Katz – this is what we measure against. We may only achieve a certain level, but we’re striving towards simplicity.
- iv. Mike Gerhardt – It says “we will provide health insurance” in Affordability principles – we’re providing access too.
- v. Director Licht – that’s in the mission and the vision or at least one of them so why is it here?
- vi. Commissioner Koller – this presents challenges because the rest of the principles are more management principles and the affordability isn’t something we can entirely control.
 - 1. Ian Gilmour – have we mixed here?

- vii. Linda Katz– as we consider the BHP, that’s a more affordable option so its important to keep affordable there, but maybe work on a description that works.
- viii. Pam McKnight – “strive” or “attempts” to... This is an important principle, but no guarantee we can do it. Strive/attempt/would like to do this
- ix. Commissioner Koller – I contend Mr. Gerhardt’s point is correct, brokers facilitate– it’s the insurance companies who provide. Not the exchange/brokers. Also, the catalyst: Sees the exchange as what we looked at as a market organizer today – to allow people to make informed choices and insurers to respond to those choices. Doesn’t see the “market organizer” role reflected here.
 - 1. Mike Gerhardt – “rationalize the market”?
 - 2. Commissioner Koller – how about “inform consumer choice”?
 - 3. Ian Gilmour – so there’s nothing on that in the principles that we can see about informing consumer choice... We could strengthen “exceptional consumer choice” – Choice is implied in Mission with “easily compare” – do we want to strengthen customer experience with this bit on choice.
- x. Commissioner Koller – I advocate for getting there. Trying to frame this as individuals making choices and the plans responding.
 - 1. Ian Gilmour– separate principle?
 - 2. Commissioner Koller – yes, separate.
 - 3. Chair Curran – sub choice for flexibility?
 - 4. Commissioner Koller – I’d be willing to, but may need to be stronger.
 - 5. Chair Curran – maybe use the flexibility language but name it choice instead?
 - 6. Commissioner Koller – could be.
 - 7. Ian Gilmour– flexibility is about affecting the system by responding to needs of customers, but this is different than responding to the choices of customers.
- xi. Linda Katz– on the Choice issue, “reasonable” choice? In the demo, too much choice isn’t a good thing. As a principle it stands alone, because choice begs the question of “how much”? Customers want choice – that’s part of the customer experience.
 - 1. Ian Gilmour– okay, we’ll come back to this –we’re taking notes and can come back.
- xii. Mike Gerhardt – the genesis on choice was our ability to really impact the system so what we’re trying to say is “to the degree that we can, we’ll support those efforts” to effect delivery

system and reimbursement system. That was the discussion of the Board before, as to whether we can affect those things or not. This nods in this direction without being too strong.

1. Ian Gilmour– did this drive that at the right level?
 2. Mike Gerhardt – for me, yes.
 3. Ian Gilmour – what about lead, partner with or enhance?
 4. Director Licht – they’re similar, but the term “lead” excepting a defined area – they seem similar...
 5. Mike Gerhardt – take out “lead”?
- xiii. Commissioner Koller – There are going to be some state initiatives that the Exchange will lead – e.g., no one else in the state can define what the right number of plans can be.
- xiv. Mike Gerhardt – it does say “or” so there’s a sequence there.
- xv. CK – right.
- xvi. Director Licht – we are an advisory board so there is a leadership role here.
- xvii. Commissioner Koller – this is for the exchange though, not the Board.
- xviii. Director Licht – the exchange is something that is a group of employees, yes, but it’s also the Board. Who are those employees answering to? The governor. How does the Exchange within its configuration “lead”? I don’t think it has the ability or structure to lead.
- xix. Commissioner Koller – the Exchange will have to be able to decide how many plans per metal should be offered? That’s a real leadership role.
- xx. Director Licht– but this is referring to “other reform efforts” within RI. The Exchange can partner with them, but not lead them.
- xxi. Pam McKnight– can decide or not decide to? Does that help?
- xxii. Director Licht– No, I don’t think we should be assuming the leadership – for example, with BHP, we, the Exchange, can’t take the lead on that.
- xxiii. Chair Curran – the Exchange is in the position to speak out, so others will listen and make change.
- xxiv. Ian Gilmour – so are there other parts of state government who would be partners
- xxv. Linda Katz– can a state staffer answer what they were envisioning with “lead”?
1. Jennifer Wood – yes. As to who this document is for, it’s for the Exchange. As to the second issue, over the last few sessions, we didn’t get as specific as to “lead, partner or enhance” as you just did. It was a way to broaden the frame and now the Board is saying that

may be too broad – so maybe the balance is Partner with or enhance.

xxvi. Commissioner Koller – there are some stakeholders who do envision the Exchange as leading.

1. Ian Gilmour – Is it helpful to change these?
2. Director Licht – that’s why I’m saying to combine the last two (Alignment with other state initiatives and Catalyst).

xxvii. Chair Curran – I think its better to stay broad.

1. Ian Gilmour– what about combining the last two?

xxviii. Mike Gerhardt – Catalyst is more getting at somebody else improving the system...

1. Ian Gilmour – so no combining.
2. Director Licht – I hear what Mike is saying, it says “reform...other health reform efforts in Rhode Island...” so that’s within the state and
3. Mike Gerhardt – that’s how I read it

d. Draft Goals:

- i. Ian Gilmour - Do these look like the goals of the exchange now in its planning period?
- ii. Commissioner Koller – how do we improve the health of Rhode Islanders when we’re trying to just get them enrolled...increasing degrees of precision. We’ll be lucky if we can just get them enrolled.
- iii. Linda Katz – but we can make decisions about what plans can do to improve health outcomes.
- iv. Mike Gerhardt – by definition, if you enroll more people, don’t you improve the health of Rhode islanders? We’ll have made progress towards the scope. Do these have to be measurable?
 1. Ian Gilmour– yes, to the end of 2015, so you’ll have 2 years of enrollment for folks who didn’t have coverage or were underinsured. Did that mean you have made a measurable impact on those who had not had coverage?
- v. Pam McKnight– it’s important, but do agree its hard to measure and progress may be modest.
- vi. Mike Gerhardt – to the degree that this becomes public, if you didn’t have this goal, folks would ask why?
 1. Angela Sherwin– the importance of time-limiting the goals is not as important as time-limiting the objectives. The goals can go long into the future.
- vii. Pam McKnight – if we’re not improving the health of Rhode Islanders what is the point?
- viii. Commissioner Koller – do you make a distinction between Rhode Islanders on the Exchange and all Rhode Islanders?
- ix. Pam McKnight– not necessarily.

- x. Chair Curran– and the goal just says “Rhode Islanders” not all of them.
 - 1. Ian Gilmour– so let’s test this: in this planning period, would you imagine those who have gotten coverage on the exchange would have better health than they would otherwise?
 - 2. Pam McKnight – yes I think so.
- xi. Director Licht – is “some” helpful? You assume someone who was uninsured and is now insured could become healthier, but someone who’s insurance just became more affordable may not necessarily enjoy better health. I’m sort of in the Commissioner’s camp in that its hard to measure, but its still important.... It is the point of the ACA.
 - 1. Mike Gerhardt – the long-term goal is everyone.
 - 2. Commissioner Koller – the way the Exchange affects peoples’ lives is a portal.
 - 3. Mike Gerhardt – but it’s a delivery system change agent.
- xii. Linda Katz– the objectives are implementing what are really long-term goals.
 - 1. Ian Gilmour– so performance based would be locked in the objectives rather than the goals.
 - 2. Mike Gerhardt – so take the time frame off the goals?
 - 3. Linda Katz– yes. Take the time frame off the goals and apply it to the objectives.
- xiii. Director Licht – every one of your objectives serves a goal. To me, it’s not really an inherent goal.
- xiv. Commissioner Koller – I’d like to see, if we’re focusing on health of RI, it shouldn’t be through the exchange – the way Dr. Fine sees health is through public health. It’s not through the exchange.
 - 1. Pam McKnight– but whenever we decide to do something it should be held up against this goal – to improve the health.
 - 2. Director Licht– RFP language in the objectives does not necessarily get to the goal of improving the health of RI.
 - 3. Mike Gerhardt – but again, when this becomes a public document, its better that we stay aware of the realities of this.
 - 4. Ian Gilmour– reviews the mission and vision – the “why” is in the vision as to health and mission is “through better health.” I have sympathy to Chris’s point about the target population for the exchange – a population around affordability and then a question about how to effect cost?

5. Commissioner Koller – I see your point. Some of this is not just about the exchange population and gets to aspirational goals.
 6. Ian Gilmour– could be seen as “making a contribution to” the health of all Rhode Islanders as opposed to doing it all on your own.
 7. Mike Gerhardt – everyone has access to the Exchange; their health may improve just by accessing the information that is there. The big picture here is Rhode Islanders.
- e. Draft Objectives 2012-2015:
- i. Ian Gilmour– this begins to form a road map which you’ll be recommending to the Governor.
 - ii. Director Licht – by March, we cannot procure services – just issue an RFP. I didn’t see where we have a deadline for securing/selecting a vendor. That’s important.
 1. Ian Gilmour– the target is?
 2. Matt Harvey – to have them working, it’s June.
 3. Angela Sherwin – we didn’t put that in there because it rolled into #3 – we have to prove we’re operationally ready and to do that we need a vendor, a plan, and a plan for a product that works. Whether we get the vendor on in June/July 1/August – the deadline that matters is applying for certification in September.
 4. Director Licht – what do you mean by “working?”
 5. Matt Harvey – the word “works” doesn’t mean functionally working. We’re not starting from scratch. We’re taking a module and making changes to it.
 6. Jennifer Wood – the reason we used the September date is because underneath it, there are a dozen federal requirements – it’s a proxy for a federal checklist. As long as we stay within the curve we’re okay.
 - iii. Director Licht – people who understand the tech and procurement process – so long as it’s an “off the shelf” thing, that’s better.
 1. Ian Gilmour– there are a number of products on the shelf.
 2. Director Licht – is my division of purchasing aware of this?
 3. Jennifer Wood – yes.
 - iv. Mike Gerhardt – so by August the system will be procured?
 1. Matt Harvey – this is somewhat negotiable – “works” means its conceivable it would work and it could get there—this test hasn’t been applied.
 2. Jennifer Wood – the test hasn’t been applied and we’re the first in line to take it.

- v. Ian Gilmour– We will continue on with the Objectives.
- vi. Mike Gerhardt – so Jan. 2014 is open enrollment?
 - 1. Ian Gilmour– this might be better described. #6 may need to be October 2013 and then have that coverage is enforced reflected elsewhere?
- vii. Don Nokes – I don't know if its wise to tie this to the federal requirement as I personally think the federal requirement will change.
 - 1. Mike Gerhardt – the requirements might change so may need to build in that caveat.
 - 2. Jennifer Wood – we could say in compliance with federal deadlines, which is safe and then include an addendum as to what we think that is –
 - 3. Commissioner Koller – mission accomplished.
- viii. Director Licht – some of these objectives are Board level and some of them are management level. That distinction isn't really made.
 - 1. Ian Gilmour– can you specify?
 - 2. Director Licht – the first one, the Board may ultimately approve the RFP – I don't know, but clearly, that's a staff-driven process. Even interacting with the federal review – that's something done by the staff as opposed to the Board. Will the Board play a roll on the plans, plan designs, and decisions – maybe not the details, but the choice issues Chris made before. I think there needs to be Board objectives and management objectives.
 - 3. Commissioner Koller – I agree. The first priority should be management objectives. You could phrase #7 “to have in place benefit design and plan certification processes” ... that is very specific.
 - a. Matt Harvey – work plan needs to happen this year.
 - 4. Linda Katz – I want to agree with what Director Licht said – what would be helpful to have as a next step would be a work plan as to when decisions would be made and then have a plan for the Board to give input. An agenda of decisions as we move forward. As the consumer assistance program gets rolled out, what is the process for deciding that?
 - 5. Ian Gilmour– objectives need some work and the major change is to modify that to “federally mandated dates’ and split the objectives between Board and management objectives. The Board objectives should be tied to the decisions the Board would need to participate in to make those objectives achievable.

6. Director Licht – there also needs to be a discussion, with our team, as to what we think its appropriate for the Board to decide. We don't need to get into every decision. We need to have a philosophical decision on this.
- ix. Linda Katz– we need to add hiring an executive director. Also, part of our role is to ensure that there's good consumer input to these decisions – perhaps beyond just the stakeholder and advisory group.
 1. Director Licht – I agree and have discussed this with people about focus-grouping this. The people who are to use this product need to be looking at it, not those creating it.
- x. Commissioner Koller – What about outreach strategies? These need to be in here. A Board review might be good here. Also, #7 may change from “have in place” to “have designed.” It's a little optimistic to think that #7 – this is where we're saying we're putting in structure with the plans to achieve these things. If we're serious about it, add population health and evaluation. Learn lessons from Medicaid and Rite Care – you only improve the stuff you look at.
 1. Ian Gilmour – so program review or evaluation?
 2. Commissioner Koller – right and “individual health or affordability of health” and make plans for evaluation.
 3. Linda Katz – also, staff up the exchange. Not just hire the director.
- xi. Ian Gilmour– moving on to the last two: the chart at the end shows which objectives support which goals. The logic model is for the exchange.
 1. Commissioner Koller – what is the most appropriate level for the Board to focus on?
 2. Ian Gilmour – the second line from the top.
- xii. Linda Katz– there are policy decisions that we make as a Board that inform the design.
- f. Mr. Gilmour wrapped up the discussion by reviewing the intended edits of each section and said that the changes would be run by the Board.
 - i. Jennifer Wood – I have edited each of the items as you went and if done correctly, this can be sent back to you with the biggest surprises. If there are any surprises it should be around the objectives, which we will bring back for review again.

VI. Public Comment:

- a. Richard Langseth – If you were looking for a consumer to give you advice and counsel, I can tell you that this will be very difficult to use. The objective for anyone creating a market in insurance is to present the most simple option. Maybe it should be like a slot machine where

you input the most simple things and it comes up with a selected option which the consumer can decide to take or not. I have many years of experience and I blew it three years in a row – I picked it because it was free and I didn't know what to do. We have to simplify. RI is in a great position to effect national policy. We should be a leader and be national in scope. The problem with the slot machine idea is that you're pointing to a payer, but maybe it can be like a round robin. Also, consider the MA experience where payers gamed the system. You need to have control over the brokers, too. I am very concerned about the timeline and whether there is sufficient time to create a consumer friendly system. I am not being critical, but this is a very hard timeline. On the technical side, there are federal programs which include VA benefits and Indian Health Service. Also, how do you gather up the information? RI has done this very well with unemployment insurance in terms of finding out the data required. I think you're doing great work. There was one thing that struck me, which is to be aware of abuse of programs if you're putting them into the eligibility system as well. I appreciate the ability to comment.

- b. Linda Katz– I just want to thank the staff.
- c. Chair Curran – We all second that.

VII. The meeting was adjourned at 4:25 pm.